

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington DC 20554

In the Matter of	)	
	)	
Sprint Communications Company L.P.	)	WC Docket No. 08-116
Section 63.71 Application for the	)	Comp Pol. File No. 871
Discontinuance of 900 Transport Service	)	
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**Further Comments of Network Telephone Services Inc.**  
**pursuant to DA 08-1820**

Network Telephone Services Inc. (NTS), with its principal place of business located at 21135 Erwin Street, Woodland Hills, California 91367, provides these additional comments to the Section 63.71 application of Sprint Communications Company, L.P. (Sprint) to the Federal Communications Commission (FCC) in which it is seeking permission to discontinue to offer its customers Sprint's Transport 900 product.

In justifying its decision to discontinue providing 900 service to its customers, Sprint argues that its 900 transport service "has been in rapid decline for some time now, both in terms of call volumes and the number of customers taking the service." Sprint's reply brief to the FCC provides examples of declining call counts from 2004 to 2007. What Sprint's reply does not mention is that the general decline in call volumes or in the number of customers taking the Sprint 900 transport service has been somewhat self-inflicted by Sprint. About 8-10 years ago, Sprint ceased offering billing services for its 900 exchange service customers and made available only transport. Sprint's customers were able to reasonably adapt to this reduction in service from Sprint because independent billing companies are available and these entities stepped in to provide billing services to Sprint's 900 transport customers. In or around 2004, Sprint then made it their business policy not to accept new requests for 900 transport service by prospective customers seeking telephone numbers available through the several 900 telephone exchanges that Sprint exclusively controls. Sprint currently provides 900 transport services only to its customers who were "grandfathered in" when Sprint made this decision. From information NTS has been provided, Sprint has not allowed any new customers to open any new telephone numbers on Sprint's 900 exchanges since this time. Therefore, there is a direct correlation in Sprint's refusing new 900 business around calendar year 2004 and then subsequently seeing a decline in the number of new customers taking or marketing the Sprint 900 transport service.

NTS has been a Sprint customer in the 900 pay-per-call business since 1988. In the last six (6) calendar months that NTS has received reporting from Sprint (i.e., January through June 2008), NTS has averaged each month well over 12,000 customer calls to our Sprint 900-assigned telephone numbers. During calendar year

2008, NTS has averaged each month well over 40,000 minutes of services to our customers on our Sprint 900 telephone numbers. The usage generated by these NTS customers should not be considered “de minimis” as this has been represented to the FCC. Further, NTS’s overall customer traffic on these 900 telephone numbers at Sprint has remained fairly consistent during each of these first six (6) months of 2008.

Upon NTS receiving notice that Sprint intended to terminate providing transport services for the 900 exchanges that Sprint controls, NTS immediately began to promote our services on available alternative 900 telephone numbers. However this action does not change the habits of longtime customers overnight. As shown by Sprint’s own reporting, NTS customers continue to call the telephone numbers that are exclusively available through Sprint 900 Transport. These NTS customers have grown accustomed to the 900 exchange telephone numbers they have called for twenty years and the corresponding quality of services. Customers of NTS have developed a relationship with these 900 exchange telephone numbers and this in turn has developed a customer loyalty to the services provided by NTS through these telephone numbers.

NTS does not agree with Sprint that it is a very simple process for the businesses using Sprint’s 900 exchange telephone numbers to convert their longtime customers to use different 900 numbers with the remaining transport providers. If anything, it is a very difficult, complicated process. To begin with, NTS needs to find and provide an effective manner of communicating with its customers to explain that the services we have offered them for so long will now be available only on alternative 900 exchange telephone numbers. Sprint does not provide its business customers with the callers’ billing name and address information, so the business customers of Sprint’s 900 numbers are on their own to find creative ways to communicate this changeover to their customers. Further, Sprint does not offer call-forwarding on calls made to these telephone numbers. NTS has been at a real disadvantage in effectively communicating this information to its customer base.

On top of this, NTS must also be able to find a carrier available to carry the programs that are currently offered through Sprint 900 transport. Sprint references in its reply brief the website of the North American Numbering Plan Administration ([www.nanpa.com](http://www.nanpa.com)) where “there are a number of providers that have 900 numbering resources.” However, an analysis of the entities listed on NANPA’s website for each 900 exchange indicates the contrary. Many of the 900 exchanges listed on the NANPA website are controlled by private parties who do not make their 900 telephone exchanges available for other customer usage. Many other 900 exchanges are marketed exclusively for Canada. Then you have a carrier such as MCI which the NANPA website identifies as exclusively controlling more than forty (40) separate 900 exchanges; but MCI makes only one of their many 900 exchanges available for the information and entertainment programs offered by NTS. Once a prospective 900 exchange carrier is identified, there are several agreements to be negotiated and a due diligence process is required by the new carrier before a business may begin offering its services. Outside of all the business and legal paperwork necessary, there are technical requirements on connectivity that are always necessary to deal with anytime you start up with a new 900 exchange

carrier. All the while, NTS will need to both maintain its current customer base and communicate somehow to its customers to let them know about the pending change.

In Sprint's reply brief, it raises a comparison of Sprint's present situation to discontinue 900 transport service with the decision by AT&T several years ago to discontinue its MultiQuest 900 services. When making this comparison with AT&T, the FCC should be reminded that when AT&T terminated its 900 transport service, AT&T also released certain 900 exchanges to third parties. Those 900 telephone exchanges, previously operated through AT&T transport, remain in operation today through another carrier. The FCC should ask whether Sprint has fully explored that possibility in connection with their request to cease offering their 900 transport service to their customers. Is it possible that the 900 exchanges assigned to Sprint could be operated or administered through a third party?

Sprint has identified general plans to continue providing dedicated access facilities for transporting 900 traffic for the sole benefit of Sprint's "Telecommunications Relay Service." Does this plan mean Sprint will be retaining all of their assigned 900 exchanges for an internal business purpose? Are the 900 exchanges currently controlled by Sprint, including the telephone numbers that NTS has had assigned for twenty years, going to be used for some other business purpose? Most importantly, what would be the incremental difference in cost for Sprint to continue facilities for transporting its own 900 traffic into the future when compared with Sprint continuing to support the 900 traffic of its current business customers?

NTS requests Sprint address the possibility for their making some of the 900 exchanges assigned to Sprint available for continued public use. If NTS had the chance to maintain the telephone numbers that its customers have used for twenty years, this would be a consideration and an opportunity that NTS would welcome. NTS has recently offered to Sprint that NTS would be available to take over some of the administration of the Sprint 900 operations in consideration for keeping these 900 exchanges in continued operation. In the pay-per-call industry, the telephone number is the "brand" consumers remember. Consumers relate and associate the particular product or the quality of service of the information or entertainment provided by the telephone number. NTS has spent a substantial amount of money and effort over the years to build up, promote and maintain its telephone number brand loyalty. Any opportunity to continue to benefit from this effort would be preferred.

In NTS's earlier comment letter to the FCC on this matter, we previously addressed the issue of what timeframe would be most reasonable for NTS to be able to move to alternative 900 telephone numbers and retain as much of its customers as possible. NTS recommended before that two (2) years time would give us the time to effectively communicate the changes to our customer base. Three (3) months have gone by since NTS began to prepare for the exit contemplated by Sprint's Section 63.71 application to the FCC and NTS continues to seek as much time as possible for the transition. To that end, we are willing to reduce our desired timeframe to 18 months from today's August 5, 2008 date. During this period, NTS will continue to promote our services over other available 900 telephone exchanges. However, if

there is a way that Sprint could offer to call-forward calls made to the telephone numbers on their 900 exchanges or assist us in providing effective communication with NTS's customer base, then this time-frame might be reduced substantially.

If NTS can assist the FCC in discussing procedures for protecting our operations and the other Sprint 900 customers who will be affected negatively by this decision to exit the "public" 900 transport business, please feel free to call on us for this purpose.

Very truly yours,

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